

# Performance Summary

as of June 30, 2018



Our portfolio managers and analysts oversee an array of eight funds designed to accommodate a wide variety of goals, from conservative income to aggressive growth. The Funds' most recent quarterly performance is below.

## Total Returns and Money Market Fund Yield

	AGGREGATE YTD	AVERAGE ANNUAL				
		1 YR	3 YR	5 YR	10 YR	SINCE INCEPTION
<b>MONEY MARKET FUND</b>						
Daily Income Fund	<b>0.41%</b>	<b>0.57%</b>	<b>0.20%</b>	<b>0.12%</b>	<b>0.18%</b>	<b>2.41%</b>
7-Day Effective Yield (as of 6/30/18): <b>1.10%</b>						
<b>BOND FUNDS</b>						
Short-Term Gov. Securities Fund	<b>0.04</b>	<b>0.19</b>	<b>0.38</b>	<b>0.58</b>	<b>1.50</b>	<b>3.07</b>
ICE BofA ML 1-5 Year U.S. Treasury Index	-0.25	-0.35	0.51	0.81	1.79	3.87
Short-Term Bond Fund	<b>0.59</b>	<b>1.04</b>	<b>1.37</b>	<b>1.34</b>	<b>3.15</b>	<b>4.25</b>
ICE BofA ML 1-5 Year Corp./Gov. Index	-0.32	-0.16	0.87	1.19	2.28	4.44
<b>EQUITY FUNDS</b>						
Stock Index Fund	<b>2.39</b>	<b>13.75</b>	<b>11.32</b>	<b>12.82</b>	<b>9.57</b>	<b>5.24</b>
Standard & Poor's 500 Stock Index	2.65	14.37	11.93	13.42	10.17	5.87
Value Fund	<b>-2.17</b>	<b>12.05</b>	<b>9.90</b>	<b>11.57</b>	<b>9.46</b>	<b>10.16</b>
Standard & Poor's 500 Value Index	-2.22	7.58	8.82	10.45	8.44	NA
Growth Fund	<b>12.02</b>	<b>28.93</b>	<b>17.77</b>	<b>18.98</b>	<b>13.82</b>	<b>4.52</b>
Russell 1000 Growth Index	7.25	22.51	14.98	16.36	11.83	5.77
Small-Company Stock Fund	<b>-1.73</b>	<b>8.71</b>	<b>6.35</b>	<b>9.57</b>	<b>11.90</b>	<b>9.34</b>
Russell 2000 Index	7.66	17.57	10.96	12.46	10.60	7.86
International Equity Fund	<b>0.82</b>	<b>10.76</b>	<b>7.52</b>	<b>7.35</b>	<b>3.43</b>	<b>3.97</b>
MSCI EAFE Index	-2.75	6.84	4.90	6.44	2.84	4.29

The total returns shown above represent past performance which does not guarantee future results. Investment return and principal value of investment will fluctuate. An investor's shares, when redeemed, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data quoted. For the Daily Income Fund, the yield quotation more closely reflects the current earnings of the fund than the total return quotation. For performance data current to the most recent month-end, call 800.258.3030 or visit [homesteadfunds.com](http://homesteadfunds.com).

Total returns include interest, capital gains, dividends, and distributions.

You could lose money by investing in the Daily Income Fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Investments in fixed-income funds are subject to interest rate, credit, and inflation risk. Interest rate risk is risk that a change in rates will negatively affect the value of the securities in the Fund's portfolio. Equity funds, in general, are subject to style risk, the chance that returns on stocks within the style category in which the fund invests will trail returns of stocks representing other styles or the market overall. Share prices of small-capitalization stock funds may have less depth and expertise compared with large-capitalization companies. International investing involves special risks such as currency fluctuation and political instability. The Growth Fund is classified as "non-diversified," which means that the proportion of the Fund's assets that may be invested in the securities of a single issuer is not limited, making the Fund more susceptible to volatility stemming from one-time events and to the financial conditions of the issuers in which it invests than a diversified fund. Index funds are subject to tracking risk, the risk that the fund's return will not closely track the return of the index.

The ICE BofA ML 1-5 Year U.S. Treasury Index measures the performance of short-term U.S. Treasury Securities. The ICE BofA ML 1-5 Year Corp./Govt. Index measures the performance of U.S. government and investment-grade corporate debt. The Standard & Poor's 500 Value Index measures the performance of the large-capitalization value sector in the US equity market. It is a subset of the S&P 500 Index and consists of those stocks in the S&P 500 Index exhibiting the strongest value characteristics. The Russell 1000 Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. The Russell 2000 Index is a subset of the Russell 3000 Index representing approximately 10% of the total market capitalization of that index. It includes approximately 2000 of the smallest securities based on a combination of their market cap and current index membership. The MSCI EAFE Index is an equity index which captures large and mid-cap representation across developed markets countries around the world, excluding the US and Canada. Indices are unmanaged and investors cannot invest directly in an index. Unless otherwise noted, performance of indices do not account for any fees, commissions or other expenses that would be incurred. Returns do not include reinvested dividends.

Performance information for the International Equity Fund (formerly the International Value Fund) reflects its investment as an actively managed fund subadvised by Mercator Asset Management from December 31, 2006 to September 14, 2015, as a passively managed portfolio directed by SSgA Funds Management, Inc. from September 15, 2015 to January 8, 2016 and, after a transition, as an actively managed fund subadvised by Harding Loevner LP from January 15, 2016 to period end.

Performance information for the Growth Fund (formerly the Nasdaq-100 Index Tracking Stock Fund) reflects its previous investment strategy of matching, as closely as possible, before expenses, the performance of the Nasdaq-100 Index.

## Fund Fees and Operating Expenses as of 12/31/17

	TRANSACTION FEES	GROSS EXPENSE RATIO	NET EXPENSE RATIO	GROSS MEDIAN EXPENSE RATIO FOR PEER GROUP*
<b>Daily Income</b>	None	0.71%	0.66%	0.46%
<b>Short-Term Government Securities</b>	None	0.81	0.75	0.90
<b>Short-Term Bond</b>	None	0.76	0.76	0.80
<b>Stock Index</b>	None	0.55	0.55	0.52
<b>Value</b>	None	0.60	0.60	1.08
<b>Growth</b>	None	0.93	0.93	1.15
<b>Small-Company Stock</b>	None	0.88	0.88	1.30
<b>International Equity</b>	None	1.25	0.99	1.30

\*According to Morningstar® Direct, based on each fund's Morningstar classification.

The gross expense ratio shows the percentage of fund assets deducted annually to cover operating costs. Fund expense ratios shown here do not include acquired fund fees and expenses. If applicable, these additional costs are disclosed in the prospectus. For some funds, the investment advisor has agreed voluntarily or contractually (for at least the current fiscal year) to waive or reimburse a portion of expenses. The net expense ratio is the gross expense ratio minus the portion of expenses waived or reimbursed. Please see the current prospectus for additional details.

**Investing in mutual funds involves risk, including the possible loss of principal.**

Investors are advised to consider fund objectives, risks, charges and expenses before investing. The prospectus contains this and other information and should be read carefully before you invest. To obtain a prospectus, call 800.258.3030 or visit [homesteadfunds.com](http://homesteadfunds.com).

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RE Investment Corporation, Distributor. 07/18

